

FBIS**DAILY REPORT
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ARMY REPORTS ROUTINE MANEUVERS IN LA PAZ DISTRICT

PY051238 La Paz Radio Panamericana Network in Spanish 1100 GMT 5 Jun 80

[Text] The public relations department of army headquarters reports to the population of La Paz that military maneuvers are being held in the (Kirikiri) district starting at 0600 this morning. These maneuvers are part of the training of the conscripts, and various kinds of armament will be used. Army headquarters, therefore, advises the population that there is no cause for alarm or anxiety because of the maneuvers.

The public relations department of army headquarters added that the military maneuvers which were initiated this morning will last until Saturday morning.

PRESIDENTIAL CANDIDATES PRAISE U.S. SUPPORT FOR DEMOCRACY

PY051950 Buenos Aires LATIN in Spanish 1638 GMT 5 Jun 80

[Excerpts] La Paz, 5 Jun (LATIN)--Three former Bolivian presidents, now presidential candidates, expressed their satisfaction today over the support by the U.S. Government for the consolidation of the democratic process in this country.

Last night Hodding Carter, spokesman of the U.S. State Department, released a statement by his government in which the United States confirms its rejection of any type of coup d'etat in Bolivia, when only 24 days are left for the electoral process to culminate in general elections.

Former Interim President Walter Guevara Arze, overthrown last November in a coup headed by Col Alberto Natusch Busch, stated today that if the position of the White House hinders a coup, then the coup makers would be acting blindly to attempt one.

When Guevara was interviewed by LATIN over the telephone, he said that "the American military has to think of its government does, because when it thinks otherwise it is dismissed." The former president found this important and asserted that "the Pentagon will never be able to back a coup (in Bolivia) against a decision by the U.S. Government."

Former President Victor Paz Estenssoro, considered one of the candidates with the best chances to win the elections, stated to the morning paper PRESENCIA that the opinions expressed in the United States "are in agreement with the aspirations of this country to live under democracy."

Hernan Siles Zuazo, the presidential candidate of the leftist People's Democratic Union alliance [UDP] maintained today that the official U.S. statement "shows a positive interest in democracy in Latin America."

MIR LEADER TO RECEIVE MEDICAL TREATMENT IN U.S.

PY040240 La Paz Radio Panamericana Network in Spanish 1700 GMT 3 Jun 80

[Excerpt] A leader and deputy for the Movement of the Revolutionary Left [MIR], Alfonso Ferrufino Balderrama, has announced that the leader of his party, Jaime Paz Zamora, will travel to the United States for intensive medical treatment. Ferrufino gave Panamericana a summary of a document to this effect which was released to the press. What are the contents of the document, Mr Ferrufino?

[Begin Ferrufino recording] It is an MIR declaration for the public which, in the first place, expresses gratitude to political, labor, religious, civilian and student organizations, and to the population as a whole for their solidarity regarding the tragic accident in which leaders of the Democratic and Popular Unity died and in which our comrade, Jaime Paz Zamora, was seriously injured.

Paz Zamora Blames 'Imperialism'

PY052157 Buenos Aires LATIN in Spanish 1910 GMT 5 Jun 80

[Text] Lima, 5 Jun (LATIN)--Jaime Paz Zamora, a vice presidential candidate in Bolivia's upcoming elections, has accused Yankee imperialism and reactionary military officers of causing the plane accident 4 days ago in which he was the only survivor, four other persons having died.

Paz, who is a candidate for the People's Democratic Union (UDP), in Bolivia's 29 June general election, made this charge to the newspaper EL DIARIO of Lima. One of the newspaper's reporters interviewed him yesterday when the plane that is taking him to Washington, where he will be treated for the burns he received in the accident, made a stopover here.

The politician, who is secretary general of the Movement of the Revolutionary Left (MIR), stated that another coup d'etat in Bolivia can be ruled out. "The military with coupist ideas fear that the Bolivian people will repeat the combative lesson of November when they crushed Colonel Natusch, who had intended to seize power by force," he told the newspaper.

Two photographs published with Paz' statements show that his face is bandaged as are his two hands and parts of his legs where he suffered serious injuries jumping from the plane before it crashed into a hill.

The political leader said that the political atmosphere in his country is one of great tension and that the ghost of fascism threatens to stop the Bolivian democratic process. "Imperialism and the right are willing to go to these extremes to avoid being defeated. The (plane) accident in which several leftist leaders died is an attack of the ultraright against the UDP," Paz said.

Leopoldo Lopez, a UDP deputy who is accompanying Paz, told the newspaper that the Bolivian political situation is highly tense. According to the paper, Lopez charged that Yankee imperialism, through the CIA and the rightist parties of his country, are ready to do anything to avoid another triumph of the popular forces in the June elections, and he blamed it for the accident and the terrorist attacks in Bolivia.

UDP Deputies Jorge Alvarez Plata and Jorge Sattori, the plane's pilot and a journalist died in the accident.

VENEZUELA'S ZAMBRANO SUPPORTS SEACOAST CLAIM

PY051329 La Paz Radio Panamericana Network in Spanish 1130 GMT 5 Jun 80

[Excerpt] Venezuelan Foreign Minister Jose Alberto Zambrano asserted in Sucre that the continent needs a democratic Bolivia which understands and also teaches others that the road of civilized coexistence is the true road toward the solution of the crisis.

Foreign Minister Zambrano is attending the ceremonies in Sucre, the capital of the republic, in commemoration of the 150th anniversary of the death of Antonio Jose Sucre, the great marshal of Ayacucho. Zambrano also strongly confirmed his country's support of the Bolivian demand to recover a port of its own on the Pacific Ocean.

When Zambrano referred to the landlocked situation of Bolivia, he said that the Bolivian littoral is the unredeemed Bolivia and as long as this condition prevails, there will be a stranglehold on the activities of the Bolivian people, and the freedom, justice and peace of the continent will remain curtailed.

PROSCRIPTION LIST CIRCULATING IN POTOSI

PY041840 La Paz Radio Panamericana Network in Spanish 1700 GMT 4 Jun 80

[Excerpt] The Potosi news media have reported that a long list, containing 77 names, is circulating in the city. The persons who appear on the list are reportedly to be persecuted by the members of the so-called Nationalist Democratic Organization which has formed the (Kaputt) plan. Our correspondent in Potosi reports on that matter:

[Begin recording] [unidentified voice] Charges have been made on the existence of the (Kaputt) plan. A list of citizens is circulating in Potosi; it contains the names of union leaders, civic leaders, professionals, university people and students. The list is being circulated by a group named the Nationalist Democratic Organization, which gives instructions that the persons on the list should be immediately eliminated when a prearranged signal is received, or that they should at least be prevented from fleeing or hiding. The list contains 77 names, including the rector of the university, the president of the Regional Development Corporation, leaders of the Bolivian Labor Federation, members of the Human Rights Assembly, the president of the departmental electoral court, etc. My own name appears as no 43 on the list. It also includes radio announcers, the director of Radio Kollasuyo and television people.

BRIEFS

FOREIGN DEBT, RESERVES--The Bolivian Central Bank has reported that the foreign debt of the country exceeds \$3 billion and that the service of that debt will cost \$626 million during 1980. It was also reported that foreign currency reserves are estimated at \$120 million. [La Paz Radio Panamericana Network in Spanish 1130 GMT 5 Jun 80 PY]

ARMY DIVISION COMMANDER--Trinidad, 2 Jun--Col Francisco Monrroy Encina has assumed the position of commander of the 7th Army Division, which is stationed in Trinidad. [La Paz PRESENCIA in Spanish 3 Jun 80 p 4 PY]

GOVERNMENT TO PROSECUTE DEPUTY FOR OFFENDING ARMY

PY051522 Buenos Aires LATIN in Spanish 1357 GMT 5 Jun 80

[Excerpts] Brasilia, 5 Jun (LATIN)--The government has announced its decision to prosecute opposition Deputy Francisco Pinto, accusing him of having committed "a crime against national security" when he delivered a speech last Tuesday which is considered offensive to the armed forces.

The decision was announced last night by Justice Minister Ibrahim Abi-Ackel who added that the antecedents of the case will be submitted to the general attorney of the republic to draw up the indictment before the supreme court of justice.

Pinto was deprived of his parliamentary mandate in 1974 for insulting Chilean President Augusto Pinochet and now he becomes the second deputy threatened with prosecution for breaking the national security law.

The first was Joao Cunha who also made a speech in the Chamber of Deputies on 28 April which was considered offensive to President Joao Figueiredo and a group of army generals. Pinto's speech, which led to the government decision to prosecute him, was made last Tuesday in support of Cunha's expressions, which had led to the same problem for the latter.

AREA FOR FUTURE NUCLEAR PLANTS TO BE EXPROPRIATED

PY060041 Rio de Janeiro JORNAL DO BRASIL in Portuguese 5 Jun 80 p 1

[Excerpt] President Joao Baptista Figueiredo yesterday signed a decree authorizing the expropriation of about 23,600 hectares between the cities of Petropolis and Iguape on the Sao Paulo coastal region, south of the port of Santos. Nuclear plants 4 and 5 under the Brazilian nuclear program are to be located there.

The mayors of the two cities reacted against the decree, saying that "the people are disgusted, because they are against nuclear plants."

TRADE BALANCE REGISTERS SURPLUS IN MAY

PY060040 Rio de Janeiro O GLOBO in Portuguese 5 Jun 80 p 1

[Text] After 24 months in continued deficit, the Brazilian trade balance registered a \$48 million surplus in May. This was reported by Finance Minister Ernan Galveas, who believes that the May surplus indicates the beginning of a reversal of the negative trend in the trade balance. The government is anticipating an equilibrium in the balance of trade by year's end.

Galveas, observed, however, that the figure he reported is still subject to an error of 5 percent. Exports in May amounted to \$1,995,000,000 and imports to \$1,947,000,000. Coffee, soybeans, iron ore and sugar made the difference to a large degree.

BRIEFS

FOREIGN LOANS--The director of the external area of the Central Bank, Jose Carlos Madeira Serrano, reported yesterday that loans amounting to \$4 billion have been contracted in the first 5 months of this year. He then said that "while the international financial market continues to have a positive and confident outlook, Brazilian businessmen are foreseeing difficulties in obtaining foreign resources by recalling the possibility of another maxidevaluation of the cruzeiro, a possibility which can be discarded for the next 5 years." [Excerpt] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 May 80 p 21 PY]

EL MERCURIO ASSAILS BOLIVIAN ARMY COMMANDER'S STATEMENTS

FY051732 Paris AFP in Spanish 0427 GMT 5 Jun 80

[Excerpt] Santiago, Chile, 5 Jun (AFP)--The daily EL MERCURIO of this capital today asserted that Bolivia's road toward an agreement with Chile does not lie in threats but rather in bilateral negotiations held in good faith and in a friendly atmosphere. The influential newspaper commented in today's lead editorial on the statements made in La Paz recently by Gen Luis Garcia Meza, commander in chief of the Bolivian armed forces [title as received], who asserted that his country should strengthen its war potential in order to reconquer the seacoast by force of arms.

EL MERCURIO recalled that General Garcia Meza said during a visit to military units in his country that "Bolivia should never bow down before international organizations asking for the return of its territories, because they belong to her by right." Referring to this, the Chilean morning paper said that such aggressive language has seldom been used by a Bolivian officer in recent times.

EL MERCURIO stressed that the use of this question in Bolivia for purposes of domestic policy has always been a perturbing factor, as have Bolivian attempts to make their maritime aspirations an international question and to convert it into a problem which would threaten peace in America. EL MERCURIO concluded by saying that the statements by the commander in chief of the Bolivian armed forces show where the danger to harmony, so necessary between neighboring countries, is coming from.

ENVOY SAYS CHILEAN PARTICIPATION IN OAS 'NORMAL'

FY051547 Santiago Chile Domestic Service in Spanish 1100 GMT 5 Jun 80

[Excerpts] Yesterday after meeting with President Pinochet, Pedro Daza, Chilean representative to the OAS stated that Chile has not been the target of any kind of attacks within the organization for a long time.

Daza pointed out that the Chilean position within the organization is normal since the country takes part in all activities and cooperates in all working spheres.

Daza had traveled to Chile to attend a meeting of the CECON [expansion unknown].

Daza also pointed out that the OAS, as an organization, is not in decline, but that the problem is that regional cooperation is not up to the standards of past times. He also stated that what can be noticed today is that cooperation in the continent in the political and economic area is not what it used to be.

In referring to the possible politicization of the organization, he stated that the problem of relations between the countries of the continent is quite difficult. He added that changes have taken place in the United States as well as in Latin America which have changed the continent quite a bit from the time when the OAS was created. He said that what the government should do now is to use its imagination to create conditions and plans for cooperation which would adjust to the present situation of the continent.

Daza, who will return to Washington today, stated that the Chilean participation within the organization is normal.

JUDGE APPOINTED TO TRY 23 ALLEGED COMMUNISTS

FY051551 Santiago Chile Domestic Service in Spanish 1100 GMT 5 Jun 80

[Text] The Antofagasta court of appeals has appointed attorney (Manuel Sanar Dubera) as the judge in charge of drawing up an indictment against 23 persons who have been charged with violating the national security law.

All these persons were arrested a few weeks ago and have been accused of being members of a cell of the former communist party. Immediately after his appointment attorney (Dubera) went to Antofagasta prison to interrogate the arrested persons.

EXPORT GROUP DEPLORES EFFECT OF BRAZILIAN TARIFF

FY041720 Buenos Aires LATIN in Spanish 0140 GMT 4 Jun 80

[Text] Santiago, Chile, 4 Jun (LATIN)--The Chilean Exports Promotion Institute (Pro-Chile) stated today that the 15 percent duties that Brazil will levy on all its imported goods as of 15 June will seriously affect Chilean exports to that country.

A communique issued by Pro-Chile states that these duties will also be applied to operations carried out within the framework of the Latin American Free Trade Association (LAFTA) of which the two countries are members.

The communique adds that this measure will seriously affect Chilean exports to Brazil, which amounted \$383 million in 1979. This measure was decreed on 7 May 1980 by the Brazilian Foreign Trade Department (CACEX) and is aimed at reducing the large trade deficit which totaled \$1.8 billion the first 4 months of this year.

According to Pro-Chile the 15 percent duties will cause the cruzeiro, now 52 to the dollar, to devalue to 56.30 to the dollar, thus reducing the possibility of imported goods competing with Brazilian goods.

The main Chilean exports to Brazil are copper, molybdenum, titanium cellulose, newsprint, barley malt, saltpeter, grapes, lentils, garlic and wine.

BRIEFS

INFLATION FIGURES--According to a report of the National Statistics Institute (INE), inflation for the month of May reached 2.3 percent, which is the same percentage reached during the first 5 months of 1979. [Santiago Chile Domestic Service in Spanish 1730 GMT 4 Jun 80 PY]

GROWTH RATE--Finance Minister Sergio de Castro has predicted that Chile's growth rate will be 8 percent this year, and that inflation will be substantially lower than in 1979. [Santiago Chile Diplomatic Information Service in Spanish 1645 GMT 31 May 80 PY]

SPANISH BUSINESS DELEGATION--A delegation of Spanish businessmen visiting Chile has begun to contact Chilean markets. They are interested in selling Spanish furniture and foodstuffs to Chile. The delegation has stated an interest in establishing joint enterprises for which they will supply technology, capital and experience. A Spanish delegation of experts on agricultural machinery will arrive on Wednesday. [Santiago Chile Domestic Service in Spanish 1100 GMT 27 May 80 PY]

TURBAY WARNS NICARAGUA ABOUT SAN ANDRES ISLANDS

PA051423 Bogota Radio Sutatenza in Spanish 1200 GMT 5 Jun 80

[Text] Colombian President Julio Cesar Turbay Ayala last night issued a veiled warning to Nicaragua concerning its plans to seize part of our territory.

Speaking at the graduation ceremony of the national navy, President Turbay Ayala said that although Colombia is not a warmongering country, it will not allow Nicaragua to take over part of our territory, specifically the San Andres and Providencia islands. President Turbay Ayala said that our country respects international law which guarantees Colombia's sovereignty over that territory.

The president then left Cartagena and went to Santa Marta. From there he will visit Medellin, the presidential information office reported.

DEFENSE MINISTER SAYS CONGRESS TO DECIDE ON AMNESTY

PA042019 Bogota Radio Cadena Nacional in Spanish 1730 GMT 4 Jun 80

[Text] Cartagena--National Defense Minister Gen Luis Carlos Camacho Leyva said today that any decision on an amnesty for those who have taken up arms in Colombia is the sole responsibility of the national Congress.

When questioned by our reporters concerning a petition made by an opposition group for amnesty for the guerrillas, Camacho Leyva says he could not really offer his personal opinion as this is such a delicate issue to be discussed by Congress.

It was ironic that the defense minister referred yesterday to the participation of retired Gen Jose Joaquin Matallana in a meeting with the main leaders of the opposition. You cannot teach an old dog new tricks, Minister Camacho Leyva told our special correspondent when he was asked to give his opinion on General Matallana's participation in that meeting. Outstanding spokesmen of the Colombian left such as Gerardo Molina and Gilberto Vieira attended that meeting.

POLICE ARREST 270 STUDENTS OCCUPYING UNIVERSITY

PA051922 Bogota Radio Cadena Nacional in Spanish 1730 GMT 5 Jun 80

[Text] The police this morning raided the National Pedagogic University which has been occupied since last night by some 400 students who were demanding the abrogation of the academic statutes which they claim are repressive.

During the occupation, the students seized Rector Augusto Franco and several professors and employees as hostages. As most of the university occupants were sleeping early this morning, the police entered the campus and arrested 270 students, while the rest escaped. The students were then taken to a nearby police station. As of noon today, 37 students had been released.

The National Pedagogic University is in northern Bogota and right now is under special police protection. Our reporters have learned that the university occupants seriously damaged some furniture and broke some windows.

ROLDOS SETS DEADLINE FOR REFINERY WORKERS STRIKE

PA051444 Quito Cadena Ecuador Radio in Spanish 1255 GMT 5 Jun 80

[Excerpt] President Jaime Roldos Aguilera has decided to set a deadline for the Esmeraldas refinery strikers to depose their de facto attitude and return to work. Those who refuse to comply will be evicted.

Labor and Human Resources Ministry mediator Dr Manuel Mora, who arrived yesterday in Esmeraldas from Quito to seek a solution to this labor conflict, informed the leaders of the Ecuadorean State Petroleum Corporation's special workers committee of the president's orders.

It was also learned that the government is determined to have order and calm prevail. To this end, the (?internal) front and the National Security Council have adopted measures necessary to restore normalcy in the state's most important industrial enterprise, the paralyzation of which would represent a loss of about 6 million sucres per day.

Minister Meets With Strikers

PA061225 Quito Cadena Ecuador Radio in Spanish 2300 GMT 5 Jun 80

[Excerpt] Jose Corsino Cardenas, natural resources minister, visited Esmeraldas today to talk to the leaders of the Esmeraldas state refinery workers' strike. The talks are going on at the Montufar Battalion headquarters. The workers are persisting in their strike and the army and the navy are maintaining surveillance near the refinery. Esmeraldas Fire Chief Luis (Con) told Radio Quito that some irregularities have been reported in the supply of fuel.

Sabotage Feared

PA061227 Quito Cadena Ecuador Radio in Spanish 2300 GMT 5 Jun 80

[it] Government Minister Carlos Feraud Blum has said he has specific information that sabotage is being planned at the Esmeraldas state refinery. In a brief news statement, the secretary reported he has ordered an immediate investigation to find the parties responsible for these criminal activities and punish them according to the criminal code. Feraud Blum said any disturbances will be put down according to the law. He added that some politicians are trying to benefit from the situation by twisting what was initially a labor demand.

BUSINESS OFFICIAL NOTES DROP IN ECONOMIC GROWTH

PA060442 Quito Cadena Ecuador Radio in Spanish 2300 GMT 5 Jun 80

[Excerpt] Eduardo (Villaquiran Levets), president of the Chamber of Industrialists of Pichincha, said this morning that during the first few months of 1980 the country has experienced a lower economic growth than in previous years. During a news conference, he said that political uncertainty has affected the normal development of the economy.

(Villaquiran) noted that the increase in pay has generated an inflationary rate which, according to official reports, totals 12 percent and it is believed that price increases are sizably larger..

MARXIST LEFT VOWS TO OPPOSE 'NEW REACTIONARY REGIME'

PY060205 Paris AFP in Spanish 0317 GMT 5 Jun 80

[Text] Lima, 4 Jun (AFP)--The Marxist left revealed today its decision to strive for "united popular action against imperialism, military dictatorship and the new reactionary regime." The pronouncement was made here by the various leftist movements which ran separately in the 18 May elections and which were soundly defeated by the Popular Action Party, APRA [American Revolutionary Popular Alliance] and the Popular Christian Party--the three largest parties in Peru.

Expressing its intent to mend the division, the Marxist left said that the various leftist groups have begun to discuss platform proposals, strategy for struggle, congressional lines of action and formulas for consolidating labor and political unity.

After stating their support for the Press Workers Defense Front, which is demanding that the Lima newspapers be turned over to the workers, the Marxist groups decided to continue making the usual labor and social demands such as labor and political amnesty, rehiring dismissed workers, salary increases, job security and freezing prices of basic items. They also denounced "the fraudulent maneuvers to cut back our representatives in congress" and then called another meeting to continue their dialogue next week.

The following groups participated in the first round of talks: Unity of the Left (Communist and Revolutionary Socialist parties), UNIR (Maoist Bloc), Popular Democratic Unity (Marxist-Leninist Front), Trotskyist parties and others.

PETROPERU PRESIDENT OUTLINES OIL EXPORT POLICY

PA040341 Lima EL COMERCIO in Spanish 28 May 80 p 1

[Text] Julio Davila, president of the State Petroleum Agency (PETROPERU), yesterday said shortly before leaving for Buenos Aires that PETROPERU will export 27,000 barrels of petroleum a day at \$38 a barrel.

Davila, who is going to Buenos Aires to attend the 15th conference of the Latin American Petroleum Industry Mutual Aid Association (ARPEL), said Petroperu is producing more than 200,000 barrels of petroleum a day.

He reported that two contracts for the sale of petroleum abroad have been signed recently. One is for 12,000 barrels a day and the other is for 15,000 barrels a day. However, Davila did not disclose the name of the company or the purchasing country.

He emphasized that the price of \$38 a barrel is good for the country and that it is in line with the prices on the international oil market.

The president of PETROPERU said the talks with the Argentine firm Bidas are well advanced in the area of the basic contract, a new petroleum contract is being negotiated with that firm similar to the one signed recently with the U.S. Occidental and Belco companies.

Davila noted that PETROPERU is fulfilling its production, refining, transportation and distribution program in a normal manner and within the needs of the country.

He indicated that in the ARPEL conference in Buenos Aires he will speak on Peru's petroleum policy. He said there will also be a seminar on the world energy situation in which the petroleum reserves, markets, prices and policies will be discussed. This event is sponsored by the Argentine Government Oil Deposits.

PAPER COMMENTS ON ROLE OF CANAL BOARD OF DIRECTORS

PA051858 Panama City LA ESTRELLA DE PANAMA in Spanish 5 Jun 80 p 4-A

[Editorial: "The Canal Board of Directors"]

[Text] The first round of meetings of the Panama Canal Commission board of directors has just concluded. The meetings could not be held until immediately after 1 October, because the U.S. Government delayed the appointment of its five members.

This is one of the main achievements attained by our country at the negotiating table since, while the waterway and the former adjacent Canal Zone were administered by the canal company, the Republic of Panama never participated in decisionmaking. It is true that in this new situation the Panamanian members are in a minority with respect to the U.S. members, but through them and the deputy administrator it will be possible to monitor everything related to the administration of the canal area and above all to see that Panama's interests are respected to the letter as provided for in the treaties.

It is important that the necessary effort be made at all times to have the meetings carried out in a climate of cordiality and harmony as much as possible because, since the board of directors is made up of representatives of two countries which theoretically have the same interest--that of efficiently rendering an international service--good faith should always prevail.

Although it is impossible to forget the past--of which, moreover, we are very proud--we sincerely believe that the "new relationship" mentioned by President Carter has been initiated. In the inaugural session, the ambassador attributed great importance to this board and its functions. It is one of the most visible organizations and one that reflects the spirit of the treaties. Just as our two nations now look at each other as partners, so should the members of the board show a collegiate spirit in this new relationship, if that relationship is to satisfy the hopes of both parties with respect to the treaties and the desires of the world community that unanimously endorsed them." [quotation marks as published]

It is likely that in the future there may be dissatisfaction on our country's part with some decision reached by the board of directors--and we say on our country's part because we are a minority--but the treaty has created the consultative committee which has the function of resolving problems emerging between the two governments by diplomatic means.

We believe that the basic objective of the Panamanian members of the board is to ensure strict compliance with the part of the treaty that provides for increasing participation of Panamanian citizens at all levels of employment of the Panama Canal Commission, since this is the only way in which our country will be able to assume "in an orderly and efficient manner, full responsibility for the administration, operation and maintenance of the canal at the expiration of this treaty"--at the end of the century.

COLUMNIST CRITICIZES CANAL COMMISSION'S 'ARBITRARY ACTION'

PA052137 Panama City MATUTINO in Spanish 5 Jun 80 p 4-A

[By Luis Restrepo Rosas: "A Moment in History"]

[Text] The Panama Canal Commission's board of directors was installed Monday. [paragraph continues]

At the installation ceremony, the four Panamanian representatives read a brief memorandum, while the foreign minister merely announced what everybody already knew: Panama does not accept the infamous Murphy law, which it regards as totally devoid of juridical value. The Panamanian representatives did not even mention the flagrant canal treaty violations repeatedly committed by the "Yankees," who maliciously delayed for 9 months the installation of this directive board, convinced as they are that all the arbitrary actions carried out by the U.S. administrator and army secretary against Panama and the Panamanians will have to be accepted by Panama as an already accomplished fact, as irreversible decisions made by a imperious nation.

Less than 24 hours after the board of directors was installed, the country learned of yet another arbitrary action committed by the Panama Canal Commission, an action highly dangerous for the national interests. We are referring to the explosives which were mysteriously ordered by that commission and which arrived in Tocumen's air cargo terminal without the necessary documents and without local and international safety measures being adopted.

The explosives, which have been classified as fireworks, had been sent to the Panama Canal Commission. As far as anyone knows, this explosive material is not needed for administering, operating or providing maintenance for the Panama Canal. This explosive material cannot be used for signaling, as special technical equipment exists for that purpose. I do not believe the Panama Canal Commission is organizing any dance or local festivity where it would use fireworks and so forth.

Most probably, those fireworks will be used during the upcoming 4th of July celebration in the former Canal Zone. The strange thing is that the canal commission has incurred an expense that has nothing to do with either the administration, operation or maintenance of the Panama Canal. Most probably, canal funds were used without Panama's authorization to pay the 4,000 balboas that these fireworks cost. It is very important for the Panamanian assistant Canal Commission administrator to announce whether he knew about this expense, which is regarded as an illegal investment by the Panama Canal Commission.

In this column we have published a number of reports on the violations committed by the secretary of the army, the U.S. Defense and State Departments and the Panama Canal administrator.

In my 31 May column (Saturday of last week) I added 13 violations to the long chain of arbitrary actions that have been reported by both the writer of this column and colleague Harmodio Icaza. I do not know whether the Panamanian directors have had the time or have cared to learn about these charges. Most probably they have not because the official policy apparently consists of reactivating the policy known as "Panama yields" and it has already been decided that the aforementioned arbitrary actions will be accepted as legal.

The canal area's union leaders are under the same impression, for at no time have their charges received careful attention by either the Foreign Ministry or the Labor Ministry.

Only yesterday the newspaper CRITICA reported developments unacceptable to Panamanians. It reported the violent attacks--a daily practice--on Panamanian employees in "Corozal's main shop." Imperious, arrogant and uncouth Yankees attack Panamanians as part of a campaign aimed at provoking confrontations between Panamanians and "Zonians." These abuses have also been reported to the Labor Ministry and, according to the Panamanians, nobody has paid them any attention. [paragraph continues]

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In other words, whenever a strong, vigilant stand is needed to ensure that the rights of Panamanians are respected, our official representatives look the other way. There is now the fear that the Panamanian representatives at the Panama Canal Commission's directive board will not set forth forcefully enough the charges made by Panamanians who have been the victims of racist, salary-related and even personal acts of aggression committed at all levels with the canal administrator's acquiescence. It is also feared that they will ignore the imperious tactics employed in the canal area by the commission and the U.S. armed forces, which on their own have been making and continue to make important decisions without Panama's participation.

I think the canal commission should explain this fireworks case as soon as possible. What are they for? If they are to be used to commemorate the next 4th of July, let the "Zonians" pay the corresponding fees and the 4,000 balboas that the Panama Canal Commission must already have paid for those explosives.

SALVADORAN SUPPORTERS TO DEMONSTRATE AT U.S. EMBASSY

PA051936 Panama City CRITICA in Spanish 5 Jun 80 pp 1, 20

[By Carlos J. Nunez L.]

[Text] The Panamanian Christian communities which have affirmed their solidarity with the Salvadoran people will hold a demonstration tomorrow in front of the U.S. Embassy to deliver a letter, signed by several hundred Panamanians, which is addressed to President Jimmy Carter. The demonstration will take place at 1100 hours.

Some 35 priests and Christian groups as well as members of several groups which have declared their solidarity with the Salvadoran people have voiced their support for this peaceful demonstration.

One of the paragraphs of the letter reads: "Mr President: We denounce your government's increasing intervention in El Salvador. Any kind of assistance or presence of your country and government in El Salvador has not only been, but is and will be an instigator of the Salvadoran situation, as well as making you mainly responsible for this people's sufferings."

COSTA RICA

CARAZO NOT INVITED TO NICARAGUAN ANNIVERSARY CELEBRATION

PA051547 San Jose Radio Reloj in Spanish 1200 GMT 5 Jun 80

[Text] President Carazo has not received an invitation to go to Nicaragua and would be unable to do so even if he did receive one. There are many activities scheduled for mid-July and President Carazo also has to receive the president of Mexico. The president of the republic said he has not received an invitation from the Sandinists to visit Nicaragua on the first anniversary of the revolution and it was therefore established that he will not be making a trip to the brother country.

U.S. ACCUSED OF USING MINISTERS AS 'ERRAND BOYS'

PA051540 San Jose Radio Reloj in Spanish 1200 GMT 5 Jun 80

[Text] A heated debate on the tuna fishing agreement is foreseen for the coming week. Some deputies claim that the United States has attempted to involve our ministers in its fishing problems with Mexico.

As Economy Minister Fernando Altmann Ortiz did not present the draft fishing agreement to the fishing committee, the document, which compromises Costa Rica, was obtained from other sources.

A note signed by Cyrus Vance a few weeks ago asked the U.S. Embassy to use the Costa Rican security and economy ministers to persuade Mexico. Since the agreement was obtained from other sources and was written in English, Deputy (Gull) Fournier made a preliminary translation, revealing the document's detrimental economic and political implications for Costa Rica. The members of the fishing committee were very concerned over the behavior of Minister Fernando Altmann, who was reluctant to turn over to them the draft of the tuna fishing agreement reached with developed nations. When the document was obtained from other sources, Deputy Mario Espinoza of the National Liberation Party said the agreement shows irresponsibility, since it makes the economy and security ministers the errand boys of the U.S. Embassy. Costa Rica would sustain losses under the agreement. It was stated in the legislature that the agreement would be tantamount to giving the tuna away. Under the Fishing Law, Costa Rica obtains a sizable income from tuna in fines and other areas, despite the opposition of powerful nations. According to Deputy Mario Espinoza, the fishing agreement reached with the United States and Mexico proposes that our country charge for the fish through licenses.

In view of the Mexicans' reluctance to sign the new fishing agreement, the letter from the then U.S. secretary of state urged the U.S. embassy to intercede, using the Costa Rican security and economy ministers as its spokesmen. Espinoza Sanchez said last night that this is an affront to the country, because Ministers Altmann and Echeverria should not perform liaison service with Mexico to protect U.S. interests.

EL SALVADOR

GOVERNMENT REPORTS VIOLENCE, TERRORIST OPERATIONS

PA060003 Buenos Aires LATIN in Spanish 1716 GMT 5 Jun 80

[Text] San Salvador, Jun (LATIN)--It was officially reported today that 19 more persons were murdered in El Salvador in the past few hours, including a mayor and six members of the security forces.

The mayor of Chirilagua Guerrero and the military chief of Santiago Nonjalco were shot to death yesterday by a group of armed men, an official report says. The second attack was attributed to the Peoples Liberation Forces (FPL), the most active Salvadoran guerrilla group.

Last night 2 teachers were gunned down at the end of a 2-day teachers strike called by the National Association of Salvadoran Educators, which groups 20,000 teachers of all levels. The strike was called to force the government to halt the repression of teachers. Over the past few weeks unidentified groups have murdered at least 10 teachers.

The teachers are also demanding the release of former Education Minister Salvador Ricardo Samayoa, who was apprehended by the police last week and charged with belonging to a guerrilla organization.

In other violent incidents yesterday two soldiers were killed when an armed group attacked a military transport vehicle close to the town of Delicias, 175 km east of San Salvador, and one policeman was killed when another commando group attacked a bank in this capital.

Another policeman was killed in the city of Santa Ana, 67 km west of this capital, when presumed leftist extremists fired at the vehicle he was driving.

In the city of San Miguel, 139 km east of San Salvador, four unidentified men were shot to death. In Sonsonate, 65 km west of the capital, three members of a family were killed, apparently by members of the FPL. One of the victims was serving at the local military garrison.

This morning the police found the bodies of three youths at Kilometer 11 of a highway north of this capital. The victims could not be identified because their faces had been disfigured.

A man who was kidnapped by unknown assailants yesterday was found dead in Zacatecoluca, 65 km east of San Salvador. He had been shot to death.

It was also reported that members of the FPL last night set fire to a service station at the entrance to Santiago Nonualco for the third time in a month. They also set a bus on fire.

Refugees Killed While Fleeing

PA060004 Panama City ACAN in Spanish 1805 GMT 5 Jun 80

[Excerpts] Tegucigalpa, 5 Jun (ACAN-EFE)--According to reports received in this capital today, about 320 bodies are lying in the open near the Salvadoran border with Honduras, and vultures and other animals are feeding upon them. These reports were confirmed by priests Alberto Gallarher and Yalaga [surname only as received] and by Professor Jose Leon Ayala.

These three men, who work in Guarita and other towns in the western department of Lempira in Honduras, say that this border area might soon be affected by a widespread epidemic. Close to 1,000 Salvadorans have sought refuge in this department recently, fleeing from the fighting in El Salvador.

Yalaga, Gallarher and Ayala say that a few weeks ago Salvadoran National Guardsmen and armed civilians gunned down approximately 320 Salvadorans who were trying to flee to Honduras. They were killed on the banks of the Sumpul River, which separates the two countries. Only approximately 80 persons managed to get across into Honduras, they said.

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There are frequent clashes in the border area and the stench there is unbearable. On the Honduran side of the border refugees and residents alike fall to the ground every time shots are heard.

Honduran soldiers, civilians in the area, the Catholic Church and other religious groups in the area, and several doctors are helping the Salvadoran refugees, but this is not enough. There have been outbreaks of gastroenteritis and pulmonary diseases.

Honduras already has many problems with the thousands of Nicaraguans who sought refuge here because of the Sandinist revolution.

CHAMBER OF COMMERCE CALLS FOR SECURITY, STABILITY

PA052146 San Salvador EL DIARIO DE HOY in Spanish 5 Jun 80 pp 3, 42

[Excerpts] Political stability and public security measures within the legal limits are necessary to develop private efforts and investments in the task of cooperating with the country's economic reactivation, the Chamber of Commerce and Industry of El Salvador has stated.

A commentary, included in the chamber's informative letter states:

"There is a serious effort underway to disrupt the economy by holding strikes with ulterior political motives, seizing and destroying places of work, and engaging in kidnappings, extortions and murders. Class hatred has been stirred up in order to hinder the labor-management understanding. Violence has been unleashed, which daily perturbs the public mood by means of abominable actions of unrestrained barbarism."

"Under such conditions, it is not possible to achieve an adequate participation by the private sector in the government's effort to reactivate the country's economy. That will be achieved only after creating a climate that permits the Salvadoran spirit of enterprise to plan and carry out its activities in a climate of safety and trust devoid of harmful political and social disturbances. If such a pacification were possible, with the priority objective of satisfying the aspirations of all Salvadorans who want a better life, businessmen could work at full capacity and investments in big, medium-sized and small businesses would recover the dynamics of those years previous to the present irregular situation."

"The Salvadoran spirit of enterprise is both progressive and visionary. It has not been weakened by the burden represented by the highest income taxes in all of Latin America. It has contributed to the common good by annually providing many million colones to the social security and the housing fund. Neither is it intimidated by structural changes if these have a rational basis and are historically justifiable. But here, like anywhere else in the world, the investments that create job sources, general prosperity and social welfare require political stability and public security measures within the legal limits."

FDR DENOUNCES PRESENCE OF U.S. MARINE ADVISERS

PA051200 Paris AFP in Spanish 0406 GMT 5 Jun 80

[Text] San Salvador, 4 Jun (AFP)--The presence of U.S. Marines in El Salvador who advise or cooperate with the army in the armed struggle being waged in this country was denounced here today by the Revolutionary Democratic Front [FDR].

The FDR also reported that it has sent a letter to U.S. President Jimmy Carter in which it has cautioned him about the participation of the United States in the domestic affairs of El Salvador.

Jose Alberto Ramos, leader of the United Popular Action Front [FAPU], which is a member of the FDR, said that they have evidence the U.S. Marines advise the Salvadoran Army.

Another spokesman of the FDR commented that the Salvadoran leftists are sufficient to fight the army and denied that international elements had joined its ranks in the struggle for power.

In addition, they pointed out that the strikes decreed by leftist groups are successful and that this is part of the prolonged people's war decreed by the people.

Concluding, the spokesmen of the FDR commented that the different delegations of the organization that are on trips abroad have received the support of the democratic countries and that several governments have even received them officially.

REVOLUTIONARY BOARD DENOUNCES U.S. INTERVENTION

PA051720 Havana International Service in Spanish 1600 GMT 5 Jun 80

[Text] The United States is preparing for a military intervention in El Salvador in view of the fact that the reform plans of the Christian Democratic-military junta have failed, representatives of the Revolutionary Coordinating Board of the Masses [CRM] of El Salvador have said in Mexico City.

They emphasized that four U.S. military bases control the vital points of El Salvador. Besides denouncing the intervention of the United States, Guatemala and Honduras, the CRM charged that the Venezuelan Government has provided several officers who are advisers to the Salvadoran regime, including a General Murillo. The CRM representatives added that mercenaries and officers from the regimes of Chile and Argentina are also participating in the repression.

In another statement, the CRM also condemned the isolation of former Education Minister Salvador Samayoa following his capture 9 days ago, as well as the kidnapping on 21 May of a Guatemalan intellectual, Leonel Menendez Quiroga, from a San Salvador hospital where he was undergoing medical treatment.

HONDURAS

LIBERALS WORRIED ABOUT TRANSITION PERIOD

PA060248 Tegucigalpa Radio America in Spanish 1600 GMT 5 Jun 80

[Distributed by Inter-Central American Radio Organization]

[Text] Honduran Liberal deputies visiting Costa Rica have expressed their concern over the transition period. They said that this power vacuum could endanger the attempted return to democracy in Honduras. The Liberal deputies said in Costa Rica that Gen Policarpo Paz Garcia is the best person to preside over the provisional government.

The presence of the armed forces in a future transition government in Honduras was defended yesterday in Costa Rica by a delegation of Liberal Party deputies and leaders making an official visit to Costa Rica.

The Liberals, recent winners in the elections which should return Honduras to a constitutional regime, will assume the leadership of the country on 20 July when the National Constituent Assembly, elected in April, is installed. This date will mark the end of the military government which began in December 1972, when President Ramon Cruz was overthrown by Col Oswaldo Lopez Arellano. However, the constitutional return in Honduras, a political task of important regional importance, must still face serious problems, the Liberal leaders said. We are concerned with the transition period, Deputy Carlos Flores said, fearing that a power vacuum in this stage could endanger the return to democracy in Honduras.

The Constituent Assembly must elect a provisional government to rule the country until a president to head the forthcoming Honduran Government is either elected directly or appointed by the Senate.

We must have continuity in the country and we believe that the most advisable move is to leave the presidency in the hands of Gen Policarpo Paz provisionally, Jose Arjona, organization secretary of the Liberal Party, said. Arjona also came out in favor of establishing a national coalition government made up by the three parties that participated in the elections, the National Innovation and Unity Party, the National Party of Honduras, [words indistinct] and the Liberal Party of Honduras.

The provisional government could last from 6 to 18 months, Arjona said. This period, Deputy Flores said, will be the most dangerous and we are worried about how long it will last. If we are going to have elections they should be as soon as possible.

The Liberal Party seems to be increasingly in favor of choosing the future president by appointment and has already nominated its main leader, Roberto Suazo Cordoba, as candidate. In order to do this, they are counting on 35 deputies in the Constituent Assembly, 1 less than the number needed to have an absolute majority. Liberal leaders said that only the armed forces are in a position to guarantee the return of the constitutional process in Honduras but said they were concerned with the results which the Salvadoran political crisis could have on the Honduran Armed Forces.

Honduras is strategically located in Central America since it borders on Nicaragua, El Salvador and Guatemala, the main centers of political tension in the region. But a rightist victory in El Salvador could lead to a radicalization of the Honduran Armed Forces' attitude.

When asked in conclusion about their attitude toward the present Salvadoran political struggle and the Nicaraguan revolutionary process, they said they will remain neutral.

NICARAGUA

COMMANDER ORTEGA DISAPPROVES OF BARRICADE METHODS

PA052005 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 5 Jun 80

[Excerpt of speech by Commander in Chief of the Sandinist Peoples Army Humberto Ortega Saavedra at the Carlos Aguero Echeverria School on 4 June; place not given--recorded]

[Text] Our Sandinista Television System, our revolutionary system of communication with the masses--press, radio and television--was forged in the midst of the struggle against the dictatorship, since the days when we published ROJO Y NEGRO in the 1960's, since we published TRINCHERA and since the days when the Sandinista Radio System was born--in the warmth of the insurrection, with glorious Radio Sandino.

Our media, our orientation and information means with the people, have always been based on truth. They were always based on constructive and analytical criticism and self-criticism of our liberation and struggle process. We have never made a profit with the news. We have never used our media to make money or to get rich, as the corrupt and bribed news media of exploitation and oppression regimes do. Ruben Dario used to say of those regimes that, for money, they praise the rich rather than the poor.

In the past few days, the reactionary news media and the reactionary elements that are not in complete agreement with this truly revolutionary regime have taken advantage of a regrettable error made by one of our mass communications media, BARRICADA, to try to stain the reputation of our revolution.

Our national leadership does not approve of the way in which a certain situation was managed by a BARRICADA companero in publishing a photograph. We do not approve at all the use of these methods because they go against revolutionary principles and the principles of dignity and respect that our people deserve. We do not approve at all of the clumsy way in which a BARRICADA companero handled the case of the photograph showing Robelo and Somoza, while Msgr Miguel Obando y Bravo was cropped out of the picture.

We know that the companero who committed this error did it trying to do a service to Monsignor Obando y Bravo so that he would not appear in that photograph showing him with Robelo and Somoza. But this does not have the approval of our leadership. It does not have the approval, either, of the BARRICADA directorship, which perhaps missed--did not check carefully--that edition.

We want to make this very clear, so that the tendentious campaigns of those who do not agree with this revolution cannot make a dent in the masses, among the humble, among the people who have always trusted this revolution. We Sandinists--we the Sandinist leaders--when we make an error, are the first ones to admit it and we are the first ones to commit ourselves to rectify our errors.

NEWSPAPER LA PRENSA RESUMES PUBLICATION

PA282331 Panama City ACAN in Spanish 1706 GMT 27 May 80

[Excerpts] Managua, 27 May (ACAN-EFE)--The newspaper LA PRENSA resumed publication on Monday in this capital following a suspension of more than 1 month.

LA PRENSA, which was formerly directed by the late journalist Pedro Joaquin Chamorro Cardenal, ceased publication on 20 April when labor problems broke out at the company.

In its reappearance LA PRENSA ran off more than 100,000 copies on its first day. The newspaper included a headline on its front page which read: "LA PRENSA will always be LA PRENSA."

LA PRENSA is still being published in the western city of Leon. It is believed that within 2 months the paper's rotary printing press in this city will be fully repaired.

In today's edition the newspaper carries an editorial signed by Pedro Joaquin Chamorro Barrios, son of the late Chamorro Cardenal, entitled: "The Narcissistic State and Democracy."

This editorial compares events in totalitarian societies with those in a representative democracy, and says: "Although representative democracy is a long and winding road I believe that most of us Nicaraguans prefer this road and I am sure that one day we will achieve this much desired goal."

On another subject, LA PRENSA highlights on its front page statements by Commander Jaime Wheelock--which confirm the pluralist nature of the revolution--regarding an appeal made by the Sandinist National Liberation Front for peace and brotherhood in Nicaragua.

COUNCIL ALTERNATE CHARGED WITH BELONGING TO FAD

PA042154 Panama City ACAN in Spanish 1908 GMT 4 Jun 80

[Text] Managua, 4 Jun (ACAN-EFE)--The president of the State Council of Nicaragua, Commander Bayardo Arce, today, Wednesday, said that rancher Odel Incer Barquero was arrested, charged with belonging to the "Democratic Armed Forces" (FAD).

The "FAD" is considered a counterrevolutionary-type organization here and it reportedly participated in the attack against the military post at "San Jose de los Remates," where Sandinist policeman Rolando Antonio Saenz was killed on Monday 26 May.

The arrest of Incer Barquero was reported today at the State Council by Mauricio Lacayo, representative of the "Nicaraguan Farming and Livestock Workers Union" (UPANIC), one of the organizations of the Nicaraguan private enterprise sector.

Commander Arce has requested information from the Interior Ministry on the arrest of Incer Barquero, who is the Lacayo alternate at the State Council.

The state security organizations revealed that the rancher was arrested last night, at "Boaco" because two captured FAD members mentioned Incer Barquero as a member of that organization.

The State Council plenum was also told that some unidentified men underwent military training at his ranch site a few days before the attack against the Sandinist outpost.

The Council leadership, however, announced that it will bring the arrested persons into a confrontation to clarify, no later than tomorrow, the position of the arrested rancher, who is the "UPANIC" alternate on the State Council.

COSEP LEADER DEFENDS ROBELO'S POSITION

PA292142 Managua Sistema Sandinista de Television in Spanish 0200 GMT 29 May 80

[Text] Making use of the freedom of expression guaranteed by the revolution, and in his capacity as member of the State Council representing the Higher Council of Private Enterprise (COSEP), Jaime Montealegre has defended Alfonso Robelo's ideological stand during a session of the legislative body and expressed his opposition to the death penalty for those guilty of murdering literacy teachers.

[Begin Montealegre recording] We believe the crime must be fought with the moral force implied in the construction of positive things for the benefit of our people, not in the destruction of life.

In connection with statements made against some persons charging them with trying to raise an anticommunist banner, I would like to say a few things: In our opinion, any true ideology or principle is and must be positive because it implies the creation of a positive ideal social order [words indistinct]. To declare oneself as an "anti," as against something, implies a negative stand. To identify oneself with something positive, such as an ideal social order, implies construction of positive things, and in some circumstances it means to be opposed to other ideologies; that is, the fact that I favor certain things makes me oppose other things.

We believe, however, that it is unjust to try to identify some persons as anticommunists or imply that they are raising an anticommunist banner when in fact they are raising banners of principles that imply ideals of a social order which are not anticommunist, but which imply the construction of other positive things. In that respect, and to specifically mention his name, I want to say that we support the statements made the other day to a local newspaper by junta member Arturo Cruz when he said he considered Alfonso Robelo a patriot.

SUSPECTS ARRESTED IN CONNECTIONS WITH ATTACK ON GARRISON

PA060213 Panama City ACAN in Spanish 1701 GMT 5 Jun 80

[Excerpts] Managua, 5 Jun (ACAN-EFE)--At least 42 people, including 12 cattlemen, have been arrested this week in the investigation of an attack against a Sandinist garrison on 26 May.

Rafael Cordoba Rivas, Conservative Party member of the National Reconstruction Government junta, confirmed reports of the arrests made since Tuesday.

Arrests have been made in Boaco, a city of central Nicaragua. Boaco is near the town of "San Jose del los Remates" the garrison of which was attacked by an unidentified group, presumably belonging to the "Democratic Armed Forces."

Meanwhile, Ernesto Salazar, president of the Cattlemen's Association told newsmen that the arrest of cattleman Incer Barquero can be regarded as "a reprisal."

Salazar said that Incer Barquero had said that several groups "had been harassing" people who last month attended a rally held in "Matiguas" by Alfonso Robelo, former member of the government junta and present leader of the "Nicaraguan Democratic Movement."

FORMER GUARDSMAN REVEALS HONDURAN TRAINING CAMP

PA041707 Managua Radio Sandino in Spanish 1200 GMT 4 Jun 80

[Text] Marcos Antonio Castro Mairena, a former member of the Basic Infantry Training School [EEBI], disclosed yesterday in testimony given to the special courts that there are over 1,500 Somozist guardsmen in Honduras supposedly training to invade Nicaragua.

Castro Mairena was one of the many Somozist guardsmen who fled the country on 17 July 1979, when they learned that their leader had abandoned them. Castro Mairena was among the 400 Somozist guardsmen who escaped in a boat from San Juan del Sur to La Union in El Salvador. The group was commanded by a colonel named Sandino.

According to Castro Mairena, while in El Salvador he came in contact with some Somozists who sent him to Honduras. Many Somozist assassins stayed in El Salvador and later joined the Salvadoran National Guard. In Honduras, he was sent to a training camp under Colonel Blanco. Afterwards, they decided to send him to Nicaragua to find out about the Sandinist forces in Managua, Matagalpa, Somoto, Esteli and Ocotal.

In his testimony, Castro Mairena said that he refused to carry out the espionage mission to which he was assigned and instead decided to give himself up to the Nicaraguan authorities.

He also claimed to have been an auxiliary at the EEBI, where he only stayed 4 months. He spent two of these months in Rivas and in San Juan del Sur; then he left when he realized that everything was lost. This is another criminal guardsman who left the country and has decided to come back.

GOVERNMENT DENIES RETURNING EXPROPRIATED LAND

PA051615 Managua Radio Sandino in Spanish 0300 GMT 5 Jun 80

[Text] The junta of the Government of National Reconstruction and Commander Jaime Wheelock Roman, farming and livestock development minister, during a news conference today denied a report published by the newspaper LA PRENSA to the effect that expropriations would be submitted for revision.

Companero Sergio Ramirez said that he was sending a note to the LA PRENSA director denying statements made by members of the Union of Nicaraguan Agricultural Producers [UPANIC] to the newspaper. Ramirez admitted talking to representatives of UPANIC, who expressed their concern over a decree whereby in the future any expropriation on the part of the revolutionary government will have to be handled through legal channels. This decree was sent by the junta of the Government of National Reconstruction to the State Council to be discussed. UPANIC representatives were asking that the decree include not only pending cases but also those on which a decision had already been made. Companero Ramirez, in his note to LA PRENSA, says:

[Begin recording] At no time have we mentioned that expropriated properties would be returned to their original owners. Since we stated this position previously, the big headlines in LA PRENSA today--referring to a total revision of expropriations based on a 15-point agreement between UPANIC and the government--are unfounded. This would give the impression that the government is going back on its word. Besides, it would also mean discussing and revising the whole agrarian reform project, which is one of the most important gains of the revolutionary process.

Although it is true that the revolutionary government--in conversations with the private sector--has said that it is definitely interested in guaranteeing tranquility and security needed for private production in all fields of national economy, we are worried that this will not be the only time that our conversations will be interpreted in a unilateral way. These personal interpretations appear to be trying to put the revolutionary government in a position to have to accept them as they are published. These are the contents of the letter we have sent today to LA PRENSA. [end recording]

Furthermore, Commander Wheelock said that the item published by LA PRENSA was a unilateral interpretation and that the government was only trying to revise those cases in which a serious injustice could have been committed. Commander Wheelock proceeded to explain the expropriation decrees.

[Begin recording] In addition to the expropriations carried out according to Decrees 3 and 38, there are 50,000 manzanas which were not included in the expropriations, but in which the attorney general's office, the Nicaraguan Agrarian Reform Institute [INRA] or groups of peasants who were demanding the land intervened. From the 1.2 million manzanas expropriated, only 50,000 would be subject to revision.

Decree 38 established that properties of persons who had connections with Somozism were going to be expropriated, but there were cases in which such ties were debatable. We saw the difficulty and danger of such an action in which people could not be given any guarantee of a just application of the decree. Therefore, we decided to solve the situation by issuing Decree 329 which establishes that all properties in which the attorney general's office, INRA, intervenes--or those which one way or another are being used by INRA--would be expropriated. This was decided to prevent endless complaints and disbursement of a large amount of money for indemnification to be paid to those affected.

Therefore, we are not revising any of these cases. What we are doing is trying to find out if some of the expropriations carried out under Decree 38 should be handled under Decree 329, which establishes payment of indemnification. We want to let you know that INRA is using most of this land. It is also used by various communities and it is absolutely impossible to return this land.

What we can do is compensate those persons affected by Decree 38 or in whose property the peasant community, not the state, intervenes--which would be an agrarian reform action, and therefore is eligible for indemnification. Let it be clear that neither INRA nor the government is planning to return land which has been expropriated. [end recording]

VI. 6 Jun 80

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MARIEL DEPARTURES FOR U.S. TOTAL 3,443 4 Jun

FLO51103 Havana Domestic Service in Spanish 1045 GMT 5 Jun 80

[Text] Yesterday, 3,443 antisocials left the port of Mariel for the United States. As [today's] GRANMA edition went to press, 78 boats from Florida remained in that port. Only one boat arrived yesterday.

PERUVIAN EMBASSY REFUGEES MUST REMAIN OR SURRENDER

FLO51112 Havana Domestic Service in Spanish 1045 GMT 5 Jun 80

[Text] At the Peruvian diplomatic mission there are only 33 antisocials including those who entered by force to whom are added some who, for various reasons, were not authorized to leave the country. These persons must remain at that mission indefinitely or surrender to Cuban authorities.

The Peruvian Embassy has been moved from Fifth Avenue. Likewise, the 33 antisocials have been lodged in another isolated house which has been placed at the disposal of the Peruvian Embassy.

The building where the aforementioned diplomatic mission had been located has been vacated. Fifth Avenue has been opened to the public. The former Peruvian Embassy building will become the Militant People's March Historic Museum.

GRANMA CITES 'GREAT CONFUSION' AMONG U.S. AUTHORITIES

FLO51210 Havana Domestic Service in Spanish 1045 GMT 5 Jun 80

[Text] The newspaper GRANMA publishes an AFP report which the paper headlines: Cables Without Commentary.

President Carter's coordinator for refugee affairs today appealed to critics in Congress not to revive the flames of reaction ignited against the Cuban refugees because of the violence in Fort Chaffee. I am concerned that the people of this country may need just a little encouragement to believe that the old tradition represented by the Statue of Liberty is obsolete, Victor Palmieri told the House of Representatives Subcommittee on Refugees.

I believe that the flames of reaction are being revived, Palmieri said. I believe that the Fort Chaffee incidents have been terribly detrimental and I believe that we must do whatever we can to protect our values.

Palmieri made the appeal after two subcommittee members criticized the Carter administration for its handling of the flow of Cuban refugees.

Caldwell Butler, Republican Representative from Virginia, said the administration has been hesitant because this is an election year. The people of our country are facing hard economic times and are not going to go along with the expenditure of millions of taxpayers' dollars on thousands of refugees forced on us because of the administration's lack of foresight and planning.

Elizabeth Holtzman, Democratic Representative from New York who heads the subcommittee, said in not as strong terms: We still have more doubts about our policies than solutions to the problems we are facing. She added that President Carter should appoint a single coordinator to handle all the problems of Cuban refugees as President Gerald Ford did with the problems of Indochina's refugees.

The AFP report that GRANMA has published points out that Palmieri replied that it has been a heroic task and I am proud of what we have achieved. He said that 103,238 Cuban refugees had arrived in the United States as of yesterday and 40,000 of them have been reunited with relatives who already were in the United States.

David Crosland, interim commissioner of the Immigration and Naturalization Service, declared that 634 of the Cuban refugees have been identified as criminals charged with homicide, theft, drug addiction, assault, rape and possession of explosives. He said all of them are under arrest. He added that 2,344 refugees have been declared guilty of political crimes in Cuba and 8,997 have records of minor crimes such as activities in the black market and petty thefts.

Robert Fisher, associate director of the International Public Health Service, said the rate of syphilis is high among Haitian refugees. Only 11 Cuban refugees had infectious syphilis and all of them have been taken care of, Fisher said. Of the 2,404 Haitian refugees examined, 504, or 20 percent, of the males and 45, or 8 percent of the women, had syphilis or (mal del pinto).

To this AFP report, GRANMA merely adds: As can be seen, there is still great confusion among the Yankee authorities.

CASTRO, ROMANIAN AMBASSADOR MEET, EXCHANGE GREETINGS

AU052023 Bucharest Domestic Service in Romanian 1900 GMT 5 Jun 80

[Text] Comrade Fidel Castro, first secretary of the Central Committee of the Cuban Communist Party [PCC] and chairman of the State Council and Council of Ministers of the Republic of Cuba, received Nicolae Moraru, Romania's ambassador to Havana. The ambassador extended to Comrade Fidel Castro comradely greetings and wishes for personal health and happiness on behalf of Comrade Nicolae Ceausescu as well as wishes for success in building socialism in Cuba. Thanking the ambassador, Comrade Fidel Castro asked him to extend to Comrade Nicolae Ceausescu warm greetings and best wishes for health and happiness and for full success in building the comprehensively developed socialist society in Romania. The meeting proceeded in an atmosphere of warm friendship.

JUCEPLAN PRESIDENT MEETS ECONOMIC CONFERENCE DELEGATES

FL052147 Havana Domestic Service in Spanish 2130 GMT 5 Jun 80

[Text] The intellectuals participating in the Latin American Conference on a New International Economic Order, headed by Prof (Inkade Mosayoki), vice rector of the United Nations University, were received by Humberto Perez Gonzalez, vice president of the Council of Ministers and president of the Central Planning Board [JUCEPLAN].

During the talks, in which Oscar Pino Santos, director general of the World Economy Research Center, also participated, the two sides exchanged views on the topics being discussed in the aforementioned conference and on aspects related to the development of Cuba's economy.

ANGOLAN AGRICULTURE MINISTER ARRIVES ON VISIT

FL051637 Havana Domestic Service in Spanish 1600 GMT 5 Jun 80

[Text] Antonio Perez Herrero, member of the party Central Committee Secretariat, has received at Jose Marti International Airport Manuel Pedro Pacavira, member of the MPLA-Labor Party Central Committee Secretariat and minister of agriculture of the fraternal People's Republic of Angola.

Pacavira and the delegation that is accompanying him will pay a working visit to exchange experiences in the field of party ideological work. Others present at the airport to welcome the distinguished visitors included (Filiberto Lundungo), charge d'affaires of the People's Republic of Angola in Cuba, and Antonio Diaz and Rodobaldo Diaz, chief and deputy chief, respectively, of the Internal Education Department, and Carmelo Sanchez, official of the General Department of Foreign Relations. [both departments of the party Central Committee]

Talks on Party Ideology

FLO52013 Havana Domestic Service in Spanish 2002 GMT 5 Jun 80

[Text] Antonio Perez Herrero, member of the party Central Committee Secretariat, today received in Havana Manuel Pedro Pacavira, a member of the MPLA-Labor Party Central Committee and minister of agriculture of Angola. During the fraternal and friendly meeting, they held extensive talks on the party's ideological work and matters of mutual interest.

HUNGARIAN PARTY DELEGATION HOLDS TALKS

FLO42327 Havana Domestic Service in Spanish 2300 GMT 4 Jun 80

[Text] PCC Politburo member Jose Ramon Machado Ventura today received the delegation of the Hungarian Socialist Workers' Party headed by Bela Bogota, deputy chief of the Central Committee internal administration department. During the talks, which were held in a fraternal atmosphere, the two sides discussed topics of mutual interest.

CUBATUR TRAVEL AGENCIES CONVENTION OPENS IN HAVANA

FLO31104 Havana Domestic Service in Spanish 1000 GMT 3 Jun 80

[Text] The first travel agency convention of the National and International Tourist Enterprise--CUBATUR--opened yesterday at the Palace of Conventions in Havana with the participation of 272 delegates from 27 countries representing 116 travel agencies and 14 airlines.

The inaugural session was chaired by Council of State member Pedro Miret Prieto, Council of Ministers Vice President Flavio Bravo, Oscar Fernandez Mell, president of the Havana City People's Government Provincial Assembly and Vice Minister of Culture Antonio Nunez Jimenez. Jose Luis Padron, president of the National Institute of Tourism, made the opening remarks. He said the convention helps to expand ties of mutual interest and exchange views which enhance the development of tourism as an activity for the knowledge of people and a dynamic factor in international commerce.

New Tourist Offices

FLO41441 Havana Domestic Service in Spanish 1400 GMT 4 Jun 80

[Excerpts] Cuba this year will open tourist information and promotion offices in the Federal Republic of Germany, France, United States, Mexico and Canada, it has been announced at a seminar on tourism in Cuba, its potential and ways and means in which it is being developed.

CUBATUR Director General Jesus Jimenez explained that the offices are part of CUBATUR's action plan aimed at supporting the work of travel tours, operators and agents. He also announced that the National Tourist Institute--INTUR--plans to participate actively in fairs, exhibits and presentations in host countries for better dissemination of what Cuba has to offer to tourists.

DOMINICAN REPUBLIC

TRANSIT STRIKE ENDS; FUTURE STRIKE LIKELY

PA060050 Madrid EFE in Spanish 1755 GMT 5 Jun 80

[By Jose Romero]

[Text] Santo Domingo, 5 Jun (EFE)--The public transportation strike that paralyzed this city for a week ended today with a tragic toll: five persons dead, 50 wounded and approximately 100 under arrest.

The three labor organizations that supported the strike reached an agreement with the government on the condition that measures must be taken in the next few days to bring down the cost of gasoline, which has increased from 1.85 to 2.39 pesos per gallon. However, they will go on strike again next week.

Furthermore, it is not probable that the government will reduce the price of 2.39 pesos per gallon since the president's most important economic officials and advisers have spoken about other measures to benefit the taxi drivers but have not mentioned a gas price reduction.

Some of the other measures mentioned have been a 5-cent fare increase, the speeding-up of the collective-transportation program with the prompt purchase of approximately 80 minibuses and the continuation of the 100-peso monthly subsidy for each driver.

Despite the opposition of some of its members, the United Union of Drivers of the national district (Siuchodisna) and the national union of drivers put an end to the strike during meetings held last night. It was known from past experience that the strikers would not be able to remain on strike for more than a week since they do not have the wherewithal to do so.

The circulation of mass transit vehicles was practically back to normal yesterday and although today is the Corpus Christi holiday, the tension that reigned in the streets in the past few days has disappeared. Police also removed patrolmen who had been stationed along city streets.

GRENADA

STATE OF ALERT IN EFFECT FOR POSSIBLE INVASION

FL051118 Havana Domestic Service in Spanish 1045 GMT 5 Jun 80

[Text] Grenada's army, militia and people are in a state of alert in the face of the possibility that a brigade of mercenaries being trained in Miami may try to invade the island. At a public rally this week, the chief of the Revolutionary People's Army, Col (Huston Austin), and other chiefs of the security forces called on the people to remain alert to an eventual mercenary attack.

HAITI

TAIWANESE FOREIGN MINISTER SIGNS FARM PACT

OW051223 Taipei CNA in English 1006 GMT 5 Jun 80

[Text] Haiti, June 4 (CNA)--The Government of the Republic of China and the Republic of Haiti issued Wednesday a protocol to enlarge the existing agricultural technical cooperation between the two countries.

The protocol was inked here Wednesday afternoon by Chinese Foreign Minister Chu Fu-sung and Haitian Foreign Minister Georges Salomon on behalf of their governments. Chinese Ambassador to Haiti Li Nan-hsing, acting chief of the agricultural technical mission of China, Tsai Po-wen, Haitian director of the Department of Protocol Yves Massillon, TV and newspaper reporters were present at the ceremony.

Under the protocol, the Government of the Republic of China promised to aid Haiti to build up a training center of agricultural machine operation and maintenance. The budget of such project is about 600,000 (?dollars).

The main points include: The Government of China will provide 100 units of tractors and combine machines and finance the total expenditure of the center's construction and send five agrarian engineers to train local farmers to use and to maintain those machines. Finally, after 2 years of operation of that center the buildings and equipment will be automatically transferred to the Haitian Government.

Chinese Foreign Minister and Mrs Chu Fu-sung arrived in Port au Prince from Santo Domingo at noon. They were welcomed by Haitian Foreign Minister and Mrs Georges Salomon, and Chinese Ambassador Li Nan-hsing.

Haitian Foreign Minister and Mrs Georges Salomon will host a reception in honor of Chinese minister and Mrs Chu at Hotel Choucounne Wednesday.

The Chinese minister will stay here 48 hours for an official visit. He will inspect the work of the Chinese agricultural technical mission Thursday and will be received by President Jean-Claude Duvalier on Friday.

JAMAICA

MANLEY REJECTS SPECULATION ON U.S. OPPOSITION

FL041959 Kingston Domestic Service in English 1930 GMT 4 Jun 80

[Text] Prime Minister Manley rejected speculation today that the Carter administration opposed his government and might engineer his defeat in the next election. Mr Manley was addressing a news conference during a stop in New York on his way home from Libya, where he was continuing discussions on bilateral economic cooperation. A reporter who said he had firsthand information about U.S. Government animosity towards the Manley government asked Mr Manley whether he felt that there was any activity in Jamaica to suggest that the U.S. might go so far in discontent over his administration to try to remove him from power. Mr Manley replied: No.

MANLEY ACKNOWLEDGES SIGNS OF 'DESTABILIZATION'

FL051240 Kingston Domestic Service in English 1130 GMT 5 Jun 800

[Text] Prime Minister Manley says that present destabilization being carried out in Jamaica could be the work of locals who had learned the technique. Speaking to representatives of major U.S. news media yesterday, Mr Manley acknowledged that there are definite signs of destabilization in Jamaica with a campaign of violence and other activities to create panic and fear. However, the prime minister said he could not say that the destabilization was the work of the U.S. Central Intelligence Agency.

Mr Manley also told the U.S. newsmen that it was the poor and the jobless in Jamaica who are the victims of inaccurate foreign press reports which he pointed out damaged the local tourist trade and the chances of economic recovery.

The prime minister explained that at times sections of the U.S. press carried misleading reports about Jamaica often based on the wildest statements from the local opposition.

At the same time, however, Mr Manley declared that while Jamaica had serious problems there were positive developments as well. He identified breakthroughs in the local tourism and bauxite industries as well as the beginning of oil exploration in this country.

And following his stopover visit in New York yesterday, Prime Minister Manley returned home today. The prime minister left the island a week ago for Libya and West Germany, where he held talks on economic cooperation between Jamaica and the government of those countries. While in Libya, Mr Manley also held discussions with top diplomatic personnel from Iraq and Algeria who are attached to Libya.

PNP EXPRESSES CONFIDENCE IN SECURITY MINISTER

FLO31304 Kingston Domestic Service in English 1130 GMT 3 Jun 80

[Text] The executive of the People's National Party has expressed full confidence in Minister Dudley Thompson. In a release issued yesterday, the PNP executive said it also fully supported the activities of Mr Thompson as minister of national security, as member of the Cabinet, MP for West St Andrew and as chairman of the party.

The PNP release noted that Mr Thompson has made significant contributions in the international and local political arenas, both as a government member and as an officer of the party. In addition, it said, Mr Thompson has the full confidence of the people in his constituency and as party chairman he provides exemplary leadership and discipline in all party activities.

The PNP release went on to say that all policemen, with the exception of the political few, knew that Mr Thompson has always stood out as a champion of the interests of the policemen. The party executive also condemned the statement by Inspector McBeth calling for Mr Thompson's removal as minister of national security.

The statement by the PNP executive comes in the wake of Supreme Court ruling declaring Mr Thompson's nomination and election unconstitutional. Meanwhile, the speaker of the House of Representatives, Mr Ripton MacPherson, has said that he has not yet received notification from the Supreme Court judge, Mr Justice (Wright), relating to the parliamentary status of Mr Dudley Thompson. Mr MacPherson told JBC [Jamaica Broadcasting Corporation] news that in this situation Mr Thompson was being regarded normally as a member of the House. He said even if he received communication from the Supreme Court judge on the matter, he would have to seek legal advice to determine the status of the member.

At the same time, the JLP [Jamaica Labor Party] spokesman on national security, Winston Spaulding, says Mr Thompson is not entitled to a seat as a member of Parliament. In a release issued yesterday, Mr Spaulding said once a question of law has been pronounced, the speaker was bound by the ruling and must act upon the binding decision of the court.

CABINET TO DISCUSS MORE POLICE MANPOWER, EQUIPMENT

FLO21254 Kingston Domestic Service in English 1130 GMT 2 Jun 80

[Text] Proposals for strengthening manpower and providing additional equipment for the police are expected to be discussed in today's meeting of the Cabinet.

This arose from an emergency meeting held last Friday which involved Acting Prime Minister P. J. Patterson, the then [as heard] Minister of National Security Dudley Thompson, Justice Minister and Attorney General Carl Rattray, the commissioner of police and other members of the police high command.

And a decision is also expected to be taken in Cabinet today on the criteria for repayment of legal ~~expenses~~ incurred by members of the police federation. This comes in the wake of charges ~~made~~ by the chairman of the federation, Inspector J. D. McBeth, at last week's meeting of the organization. In his address, Inspector McBeth had said over \$24,000 in refunds for legal expenses were still outstanding and had issued a 14-day ultimatum on government for the money to be repaid. However, Mr Patterson has since pointed out that of a total claim of \$47,000 more than \$20,000 had already been paid.

THOMPSON ANNOUNCES PLAN FOR NEW POLICE STATIONS

FLO41653 Kingston Domestic Service in English 1630 GMT 4 Jun 80

[Text] A \$13.25-million deferred refinancing package has been worked out for the establishment of a number of police stations throughout the island. Minister Dudley Thompson made the disclosure yesterday during a statement to Parliament.

He said the package was the result of negotiations with commercial banks, building contractors and government development agencies. He also disclosed that equipping the modern police station at 230 Spanish Town Road would cost an additional \$5 million. In addition, Mr Thompson said, steps were being taken to have stations opened at (Scapin) in St Andrew, Newport West in Kingston and (Bay Farm Villas) to replace the Olympic Garden station within the next fortnight.

Mr Thompson was replying to a number of charges made by Police Federation Chairman Johnson McBeth.

CDC SEES PROSPECTS FOR IMPROVED ECONOMIC SITUATION

FLO51253 Kingston Domestic Service in English 1130 GMT 5 Jun 80

[Text] The Caribbean Development Corporation has said that although most sectors of the Jamaican economy returned disappointing performances last year, there was hope of arresting the economy's decline following developments in the tourism and bauxite industries.

In its 1979 report circulated in Barbados yesterday, the CDC identified import restrictions and rising prices coupled with controlled selling prices as some factors which adversely affected the profitability of several local companies. But the report noted that the increased tourist arrivals, the establishment of new bauxite-alumina markets and the receipt of substantial bilateral and multilateral assistance could improve the situation in the Jamaican economy.

The Caribbean Development Corporation, a regional lending company, has also agreed to lend some \$11 million to the Jamaican Forest Industry Development Company for the development of an industrial forestry plantation.